

**UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF NEW YORK**

Federal Trade Commission,

Plaintiff,

v.

SuperGoodDeals.com, Inc., et al.,

Defendants.

Case No. 1:20-cv-3027-ENV-RER

**JOINT MOTION TO STAY
PROCEEDINGS PENDING
SETTLEMENT**

Plaintiff Federal Trade Commission (“FTC” or “Commission”) and Defendants SuperGoodDeals.com, Inc. and Kevin J. Lipsitz (“Defendants”) jointly move and respectfully request that the Court enter an order staying any further proceedings in this case for 240 days to allow Defendants to fully consummate a contract and have the Commission vote on a proposed settlement. In support of this Motion, the FTC and Defendants state as follows:

Case History

1. The FTC initiated these proceedings by filing its Complaint for Permanent Injunction and Other Equitable Relief (ECF No. 1) on July 8, 2020 against the Defendants.
2. On September 18, 2020, the Court stayed this case due to an ongoing parallel criminal case against Mr. Lipsitz relating to the same alleged fraudulent scheme described in Plaintiff’s Complaint. [ECF Only Entry, Sept. 18, 2020.]
3. Mr. Lipsitz was sentenced in the parallel criminal case on May 5, 2022, and has since served his imposed period of incarceration having been released on September 30, 2022.
4. On October 17, 2022, the Court lifted the stay and entered the parties’ proposed scheduling order. [ECF Only Entry, Oct. 17, 2022.]

5. On December 14, 2022, the parties attended a settlement conference before Magistrate Judge Ramon E. Reyes. The parties would like to expressly thank Judge Reyes for holding the settlement conference, which ultimately has proved successful.

Settlement Timing

6. The last major hurdle holding back a settlement has been resolved. Defendants, however, need until June 1, 2023, to close on a contract that will fully resolve the issue.

7. The Defendants and the FTC have devoted considerable resources to resolving this matter without the need for further litigation. Defendants have signed a proposed settlement in the form of stipulated orders that FTC counsel is prepared to recommend to the Commission for approval once the contract has been fully consummated.

8. Certain FTC actions, including agreeing to settle litigated matters, may only be taken by the affirmative concurrence of a majority of participating Commissioners. 16 C.F.R. § 4.14(c). The Commissioners cannot delegate this authority. *Id.*

9. If the Commission approves the settlements with Defendants, FTC counsel will promptly file the proposed stipulated order with the Court. However, until the Commission reviews and approves the settlement, FTC counsel does not have authority to file the proposed stipulated order. The Commission's review process typically takes 60 to 90 days.

10. Therefore, to allow time for the FTC and Defendants to effectuate their proposed resolutions, the parties request a 240-day stay of these proceedings.

11. The requested stay will ensure that the settling parties do not waste valuable resources for a matter this is expected to be resolved by the proposed settlements.

12. For the foregoing reasons, the parties respectfully request that the Court issue a 240-day stay of further proceedings in this case.

Dated: February 3, 2023

/s/ Brian M. Welke
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Respectfully submitted,


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Certificate of Service

I hereby certify that on February 6, 2023, I caused a true and correct copy of this filing and any attachments to be served upon the following counsel for Defendants Mr. Lipsitz and SuperGoodDeals.com, Inc., by the following means:

Via the Court's ECF System, pursuant to Fed. R. Civ. P. 5(b)(2)(E):

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